

# Nebraska Net Operating Loss Worksheet

to Compute Loss Incurred During Tax Years 1988 and After  
• Attach Federal Form 1040X or Federal Form 1045 with Schedule A.  
Taxable year of Net Operating Loss beginning \_\_\_\_\_, \_\_\_\_\_ and ending \_\_\_\_\_, \_\_\_\_\_

**FORM  
NOL**  
Worksheet

Names on Form 1040N \_\_\_\_\_

Your Social Security Number \_\_\_\_\_

Spouse's Social Security Number \_\_\_\_\_

Please check a box — I am filing this form to:

☐ Establish an NOL for this year  
(see check box instructions)

☐ Carry forward a prior year's NOL to be used in this tax year  
(see check box instructions)

☐ Carry back a prior year NOL  
(attach this form to Form 1040XN for the carryback year)

1 Federal adjusted gross income (AGI) (line 5, Form 1040N) .....	<b>1</b>			
2 Adjustments increasing federal AGI (see instructions) .....	<b>2</b>			
3 Adjustments decreasing federal AGI (see instructions) .....	<b>3</b>			
4 Federal AGI after Nebraska adjustments (line 1 plus line 2, minus line 3) .....	<b>4</b>			
5 a Nebraska exemption deduction (line 6, Form 1040N) (1988-1992 only) .....	<b>5a</b>			
b Nebraska standard deduction <b>or</b> Nebraska itemized deductions .....	<b>5b</b>			
Total Nebraska deductions (total of lines 5a and 5b) .....	<b>5</b>			
6 AGI after Nebraska adjustments minus total Nebraska deductions (line 4 minus line 5). ( <b>Note:</b> If line 6 is zero or greater, do not complete the rest of this worksheet. You do not have a Nebraska net operating loss) .....	<b>6</b>			
<b>Adjustments</b>				
7 Nebraska exemption deduction from line 5a above (1988-1992 only) .....	<b>7</b>			
8 Nonbusiness capital losses before limitation (see Schedule A, Federal Form 1045). Enter the loss amount as a positive number .....	<b>8</b>			
9 Nonbusiness capital gains (see Schedule A, Federal Form 1045) .....	<b>9</b>			
10 If the amount on line 8 is more than the amount on line 9, enter the difference; otherwise, enter -0- .....	<b>10</b>			
11 If the amount on line 9 is more than the amount on line 8, enter the difference; otherwise, enter -0- .....	<b>11</b>			
12 Nonbusiness deductions or Nebraska standard deduction (see instructions) .....	<b>12</b>			
13 Nonbusiness income excluding capital gains (see Schedule A, Federal Form 1045) .....	<b>13</b>			
14 Total of lines 11 and 13 .....	<b>14</b>			
15 If the amount on line 12 is more than the amount on line 14, enter the difference; otherwise, enter -0- .....	<b>15</b>			
16 If the amount on line 14 is more than the amount on line 12, enter the difference; otherwise, enter -0-. Do not enter an amount more than line 11 .....	<b>16</b>			
17 Business capital losses before limitation (without regard to any IRC § 1202 exclusion) (see Schedule A, Federal Form 1045). Enter the loss as a positive number ..	<b>17</b>			
18 Business capital gains (see Schedule A, Federal Form 1045) .....	<b>18</b>			
19 Total of lines 16 and 18 .....	<b>19</b>			
20 If the amount on line 17 is more than the amount on line 19, enter the difference; otherwise, enter -0- .....	<b>20</b>			
<b>• See special instructions for tax years 1988 through 1996.</b>				
21 Total capital gains (add lines 10 and 20) .....	<b>21</b>			
22 Enter the loss, if any, from line 16 of Schedule D, Federal Form 1040. (Estates and trusts, enter the loss, if any, from line 19, column (3), of Schedule D, Federal Form 1041). Enter the loss as a positive number. If you do not have a loss on that line (and do not have an IRC § 1202 exclusion), skip lines 22 through 26 and enter the amount from line 21 on line 27 .....	<b>22</b>			
23 IRC § 1202 exclusion. Enter the exclusion amount as a positive number .....	<b>23</b>			
24 Subtract line 23 from line 22. If the result is zero or less, enter -0- .....	<b>24</b>			
25 Enter the loss from line 21 of Sch. D, Form 1040. (Estates and trusts, enter the loss from line 20 of Schedule D, Form 1041). Enter the loss amount as a positive number ..	<b>25</b>			
26 Subtract line 25 from line 24. If the result is zero or less, enter -0- .....	<b>26</b>			
27 Subtract line 26 from line 21. If the result is zero or less, enter -0- .....	<b>27</b>			
28 Net operating loss deduction for losses from other years. a List the year of each NOL being used as an adjustment _____ b Amounts _____ Enter the total amount as a positive number .....	<b>28</b>			
29 Add lines 7, 15, 27, and 28 .....	<b>29</b>			
30 Nebraska net operating loss (combine lines 6 and 29). Note: If the combined amount is zero or greater, you do not have a Nebraska net operating loss .....	<b>30</b>			

**Attach this page to your original Form 1040N or to Amended Nebraska Individual Income Tax Return, Form 1040XN.**

**Nonresidents and partial-year residents—Also complete and attach Schedule I.**

**Nebraska Schedule I—  
Nebraska NOL Computation for Nonresidents or Partial-Year Residents**

<b>31</b> Income derived from Nebraska sources, including Nebraska income from wages, interest, and dividends, business, farming, partnerships, limited liability companies, S corporations, estates and trusts, gain or loss, rents and royalties, any bonus depreciation add-back and enhanced IRC § 179 add-back for tax years before 2006, and any other Nebraska source income .....	<b>31</b>		
<b>32</b> Adjustments as applied to Nebraska income, if any .....	<b>32</b>		
<b>33</b> Nebraska income after adjustments (line 31 plus or minus line 32) .....	<b>33</b>		
<b>34</b> Enter the amount from line 30 .....	<b>34</b>		
<b>35</b> Enter the amount from line 33 or line 34, whichever is smaller. This is your Nebraska net operating loss. Note: If line 35 is zero or greater, you do not have a Nebraska net operating loss .....	<b>35</b>		

### Instructions

Use this worksheet to compute your Nebraska net operating loss (NOL) for tax years 1988 and later that are available for carryback or carryforward. This worksheet **must** be attached to the Amended Nebraska Individual Income Tax Return, Form 1040XN, on which an individual claims a carryback of a NOL incurred during tax years 1988 and later.

It must also be attached to the Nebraska Individual Income Tax Return, Form 1040N, on which a deduction is claimed for a carryforward of a net operating loss.

- To compute a loss incurred during tax year 1987, the [1987 Nebraska Net Operating Loss Worksheet, Form NOL](#), must be used.
- For tax years 1988 and 1989, special instructions are provided below for lines 21 through 27.
- For tax years 1991 through 1996, special instructions are provided below for lines 22 and 25.

For more information, see [IRS Regulation 1.172-3](#), [IRS Publication 536, Net Operating Losses](#), and the [Nebraska Individual Net Operating Losses Information Guide](#).

### Check Box Instructions

**Establish NOL for this year.** Check this box when you are filing your Form 1040N to establish an NOL for the current year or when you are filing a Form 1040XN to carry back an NOL.

**Carry forward a prior year's NOL to be used in this tax year.** Check this box when you are using a prior year's NOL to deduct from income this year.

**Carry back a prior year's NOL.** Check this box and attach this form to the Form 1040XN for the prior year you are claiming a deduction for.

### Line Instructions

**Lines 2 and 3.** Entries made on lines 2 or 3 that increase or decrease federal adjusted gross income (AGI) may require adjustments on other lines. The adjustments are limited to those reported on your original return.

**Example:** If an entry is made on line 3 to decrease federal AGI by the amount of interest received on U.S. government obligations, line 13 must also be reduced by the same amount.

**Line 5a.** Enter the Nebraska exemption deduction for tax years 1988 through 1992. Beginning in 1993, this deduction was replaced with a credit amount. For tax year 1993 and subsequent years, enter -0- on line 5a.

**Line 5b.** If you claimed the Nebraska standard deduction, enter the Nebraska standard deduction amount from Form 1040N. If you claimed Nebraska itemized deductions, enter the Nebraska itemized deductions from Form 1040N.

**Line 12.** If you itemized deductions on your federal return, enter the nonbusiness deductions (from Schedule A, Federal Form 1045), minus state and local income taxes claimed as a deduction. If the result is less than the amount of the Nebraska standard deduction to which you would have been entitled, enter the Nebraska standard deduction for your federal filing status.

If you did not itemize deductions on your federal return, enter the Nebraska standard deduction from Form 1040N.

**Line 28.** List the years and amounts of each NOL being used.

### Line Instructions for Tax Years 1988 and 1989

**Line 21.** Enter the total of lines 10 and 20, but do not enter more than your capital loss limitation.

**Lines 22-26.** Skip these lines; go to line 27.

**Line 27.** Enter the amount from line 21 on line 27.

### Line Instructions for Tax Year 1991

**Line 22.** Enter the loss, if any, from line 17 of Schedule D, Federal Form 1040. Estates and trusts, enter the loss, if any, from line 17, column (c), of Schedule D, Federal Form 1041. Enter the loss amount as a positive number. If you do not have a loss on that line, skip lines 22 through 26 and enter the amount from line 21 on line 27.

**Line 25.** Enter the loss from line 18 of Schedule D, Form 1040. Estates and trusts, enter the loss from line 18 of Schedule D, Form 1041. Enter the loss amount as a positive number.

### Line Instructions for Tax Year 1992

**Line 22.** Enter the loss, if any, from line 19 of Schedule D, Federal Form 1040. Estates and trusts, enter the loss, if any, from line 17, column (c), of Schedule D, Federal Form 1041. Enter the loss amount as a positive number. If you do not have a loss on that line, skip lines 22 through 26 and enter the amount from line 21 on line 27.

**Line 25.** Enter the loss from line 20 of Schedule D, Federal Form 1040. Estates and trusts, enter the loss from line 18 of Schedule D, Federal Form 1041. Enter the loss amount as a positive number.

### Line Instructions for Tax Years 1993 through 1996

**Line 22.** Enter the loss, if any, from line 18 of Schedule D, Federal Form 1040. Estates and trusts, enter the loss, if any, from line 17, column (c), of Schedule D, Federal Form 1041. Enter the loss amount as a positive number. If you do not have a loss on that line, skip lines 22 through 26 and enter the amount from line 21 on line 27.

**Line 25.** Enter the loss from line 19 of Schedule D, Federal Form 1040. Estates and trusts, enter the loss from line 18 of Schedule D, Federal Form 1041. Enter the loss amount as a positive number.

### Schedule I Instructions

**Nonresident individuals or partial-year resident individuals** are allowed to claim an NOL that does not exceed the portion of the NOL computed on this worksheet. The NOL must be derived from or connected with Nebraska sources.

**Line 31.** Enter income derived from Nebraska sources from Schedule III, Form 1040N, for the loss year. Include Nebraska income from wages, interest and dividends, business, farming, partnerships, limited liability companies, S corporations, estates and trusts, gain or loss, rents and royalties, and any bonus depreciation and enhanced IRC § 179 addback for tax years before 2006.

**Line 32.** Enter adjustments as applied to Nebraska income from Schedule III, Form 1040N.

**Line 35.** Enter this amount on the appropriate lines of the Nebraska Schedule III – Computation of Nebraska Tax.

<b>If you are using</b>	<b>Enter the amount on</b>
Form 1040XN-2	Line 53, Column B, Nebraska Schedule III
Form 1040XN-3	Line 56, Column B, Nebraska Schedule III
Form 1040XN-4	Line 50, Column B, Nebraska Schedule III
Form 1040XN-5	Line 53, Column B, Nebraska Schedule III
Form 1040XN 2001	Line 57, Column B, Nebraska Schedule III
Form 1040XN 2002	Line 59, Column B, Nebraska Schedule III
Forms 1040XN 2003 and 2004	Line 58, Column B, Nebraska Schedule III
Form 1040XN 2005	Line 59, Column B, Nebraska Schedule III
Forms 1040XN 2006, 2007, and 2008	Line 62, Column B, Nebraska Schedule III
Form 1040XN 2009	Line 63, Column B, Nebraska Schedule III
Form 1040XN 2010	Line 63, Nebraska Schedule III
Form 1040XN 2011	Line 62, Nebraska Schedule III
Form 1040XN 2012	Line 62, Nebraska Schedule III
Form 1040XN 2013	Line xx, Nebraska Schedule III